## **REMARKS**

This application has been carefully reviewed in light of the Office Action dated March 11, 2004. Claims 1, 3 to 9, 11 to 34, 36 to 42 and 44 to 64 remain pending in the application, with Claims 2, 10, 35 and 43 having been canceled. Claims 1, 6, 9, 14, 17 to 19, 26, 34, 39, 42, 47, 50 and 57 are the independent claims. Reconsideration and further examination are respectfully requested.

The title of the invention has been amended to more accurately reflect the presently claimed invention.

Claims 1 to 64 were rejected under 35 U.S.C. § 103(a) over U.S.

Publication No. 2002/0054356 (Kurita) in view of U.S. Patent No. 5,950,010 (Hesse) and

U.S. Patent No. 5,903,721 (Sixtus). The rejections are respectfully traversed and the

Examiner is requested to reconsider and withdraw the rejections in light of the following comment.

Initially, it is noted that the U.S. publication to Kurita qualifies as prior art to the subject application only under 35 U.S.C. § 102(e) by virtue of its September 27, 1993 effective U.S. filing date and itS May 9, 2002 publication date, whereas the present application was filed on February 13, 2001. Additionally, both the U.S. publication to Kurita and the subject application are now, and were at the time of the present invention, commonly assigned to the same assignee, namely Canon Kabushiki Kaisha. (See Reel 6702, Frame 0253 for a recorded assignment of Kurita, and Reel 011870, Frame 0067 for a recorded assignment of the subject application.) Thus, by virtue of the this application's filing date, the provisions of 35 U.S.C. § 103(c) are applicable and therefore, the U.S. publication to Kurita should be removed as a reference in so far as it is applied in a rejection under 35 U.S.C. § 103(a). Accordingly, Applicant submits that the rejections are

obviated by the foregoing and request that the rejections be withdrawn. Nonetheless, Applicant submits that the claims are allowable over the art of record for at least the following reasons.

The present invention concerns the ability to identify a user of an image processing apparatus (such as a printer) which is used to produce counterfeit images. The present invention achieves the foregoing by storing user information in the image processing apparatus when the image processing apparatus is sold over a network. When an image is output by the image processing apparatus, the user information is multiplexed in the output image so that the user that produced the counterfeit image can be identified. For example, user information, such as a seller or buyer of the printer, a credit card number of the buyer, etc. may be multiplexed in the output image as a digital watermark. Thus, by virtue of associating information of the seller of the printer, or information of the buyer of the printer, with the printer itself, and then watermarking the information into output images, the person who produced the counterfeit image is more likely to be apprehended.

With specific reference to the claims, amended independent Claim 1 is an image processing apparatus comprising user information storing means for storing user information related to a seller or a buyer of the image processing apparatus, and multiplexing means for multiplexing the stored user information to an output image to be output by the image processing apparatus, wherein, the user information is obtained and stored in the storing means when the image processing apparatus is sold through a network.

Amended independent Claims 9, 17, 19, 26, 34, 42, 50 and 57 include features which are substantially along the lines of Claim 1.

Amended independent Claim 6 is an electronic commerce system which performs electronic commerce connecting one terminal with another terminal through a

network, the system comprising information setting means for setting, in an image processing apparatus, information related to a seller or a buyer of the image processing apparatus obtained through the network, and multiplexing means for multiplexing said information set by the information setting means to an output image to be output by the image processing apparatus.

The applied art, alone or in any permissible combination, is not seen to disclose or to suggest the features of the present invention. In particular, with regard to Claim 1 and the corresponding claims, the applied art is not seen to disclose or to suggest at least the feature of obtaining user information related to a seller or a buyer of an image processing apparatus when the image processing apparatus is sold over a network, and multiplexing the stored user information to an output image to be output by the image processing apparatus. With regard to Claim 6 and the claims corresponding thereto, the applied art is not seen to disclose or to suggest at least the feature of performing electronic commerce between terminals connected though a network by setting, in an image processing apparatus, information related to a seller or a buyer of the image processing apparatus obtained through the network, and multiplexing the set information to an output image to be output by the image processing apparatus.

Kurita merely discloses an image processing apparatus that is capable of adding a pattern to an image, where the pattern represents an original copying source (e.g., a copying machine or a person) regardless of changes in environmental recording conditions such as temperature or moisture. Thus, while Kurita may add information relating the original copying source to the image, the information is not seen to correspond to user information relating to a seller or buyer of the copying machine, nor, as corrected noted in the Office Action, is the added information obtained over a network, much less

obtained when the copying machine is sold. Thus, Kurita is not seen to disclose or to suggest the features of the present invention.

Hesse is merely seen to disclose installing application software over a distributed processing network using a system of interconnected servers and client machines. In other words, Hesse merely distributes software, but is not seen to disclose or to suggest anything with regard to obtaining and storing user information related to a seller or buyer of an image processing apparatus, and multiplexing the stored user information in an output image to be output by the image processing apparatus. Accordingly, Hesse is not seen to add anything that, when combined with Kurita, would have resulted in the presently claimed invention.

Sixtus is merely seen to disclose a system for securing online transaction processing using the internet as a communication network for electronic commerce, where cryptographic keys and their certifications serve to identify and authorize buyers and sellers to one another. However, Sixtus is not seen to disclose or to suggest anything that, when combined with Kurita and Hesse, would have resulted in at least the feature of obtaining user information related to a seller or a buyer of an image processing apparatus when the image processing apparatus is sold over a network, and multiplexing the stored user information to an output image to be output by the image processing apparatus.

In view of the foregoing deficiencies of the applied art, all of Claims 1, 3 to 9, 11 to 34, 36 to 42 and 44 to 64 are believed to be allowable.

No other matters having been raised, the entire application is believed to be in condition for allowance and such action is respectfully requested at the Examiner's earliest convenience.

Applicant's undersigned attorney may be reached in our Costa Mesa, California office at (714) 540-8700. All correspondence should continue to be directed to our below-listed address.

Respectfully submitted,

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